

Basin Water Sources, Inc.
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Question # 2

Copy of Outstanding Loans, Interest Rates and Date the Loan Originated

- 1. Loan from JoAnn Throop to pay for BMI to create Small Water System Management Program-**
 - End of 2008 year balance: \$41,228.47**
 - Date loan originated: 10/10/1999**
 - Interest Rate: Prime rate plus 2%**
- 2. Loan from JoAnn Throop for working capital-**
 - End of 2008 year balance: \$27,936.65**
 - Date loan originated: 2/9/2006**
 - Interest Rate: Prime rate plus 2%**

BASIN WATER SOURCES BMI LOAN INTEREST 2000

Date	Loan	Prime Rate Plus 2%	Days	Interest	Payment	Balance
10/10/1999	\$4,000.00	8.25	22	\$1.99		\$4,001.99
11/1/1999		8.25	30	\$27.14		\$4,029.13
12/1/1999		8.5	31	\$29.07		\$4,058.20
1/1/2000		8.5	31	\$29.30		\$4,087.50
2/1/2000		8.75	1	\$0.98		\$4,088.48
2/2/2000	\$5,000.00					\$9,088.48
2/2/2000		8.75	28	\$61.00		\$9,149.48
3/1/2000		8.75	10	\$21.93		\$9,171.41
3/10/2000	\$11,000.00					\$20,171.41
3/10/2000		8.75	21	\$101.55		\$20,272.96
4/1/2000		9	10	\$49.99		\$20,322.95
4/10/2000	\$4,000.00					\$24,322.95
4/10/2000		9	17	\$101.96		\$24,424.92
5/1/2000		9	30	\$183.19		\$24,608.10
6/1/2000		9.5	30	\$192.15		\$24,800.29
7/1/2000		9.5	30	\$193.65		\$24,993.90
8/1/2000		9.5	10	\$65.05		\$25,058.97
8/1/2000	\$10,327.00					\$35,385.99
8/1/2000		9.5	20	\$184.20		\$35,570.15
9/1/2000		9.5	30	\$277.74		\$35,847.89
10/1/2000		9.5	31	\$289.24		\$36,137.13
11/1/2000		9.5	30	\$282.17		\$36,419.30
12/1/2000		9.5	30	\$284.37		\$36,703.67
12/31/2000	\$34,327.00		Totals	\$2,376.67	\$2,703.67	\$34,000.00

BASIN WATER SOURCES BMI LOAN INTEREST 2001

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
12/31/2000	\$34,000.00	11.5	1	\$10.71		\$3,401.71
1/1/2001	\$34,010.71	11.5	31	\$332.19		\$34,342.90
2/1/2001	\$34,342.90	10.5	28	\$276.62		\$34,619.52
3/1/2001	\$34,619.52	10.5	31	\$308.73		\$34,928.25
4/1/2001	\$34,928.25	10	30	\$287.08		\$35,215.33
5/1/2001	\$35,215.33	9.5	31	\$284.13		\$35,499.46
6/1/2001	\$35,499.46	9	30	\$262.60		\$35,762.06
7/1/2001	\$35,762.06	8.75	31	\$265.77		\$36,027.83
8/1/2001	\$36,027.83	8.75	31	\$267.74		\$36,295.57
9/1/2001	\$36,295.57	8.5	30	\$253.57		\$26,549.14
10/1/2001	\$36,549.14	8	31	\$248.33		\$36,797.47
11/1/2001	\$36,797.47	7.5	30	\$226.83		\$37,024.30
12/1/2001	\$37,024.30	7	31	\$220.12		\$37,244.42
Totals				\$3,244.42	\$3,244.42	\$34,000.00

BASIN WATER SOURCES BMI LOAN INTEREST 2002

Formula for calculating interest: balance times Interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2002	\$34,000.00	6.75	31	\$194.92		\$34,194.92
2/1/2002	\$34,194.92	6.75	28	\$177.06		\$34,371.98
3/1/2002	\$34,371.98	6.75	31	\$197.05		\$34,569.03
4/1/2002	\$34,569.03	6.75	30	\$191.79		\$34,760.82
5/1/2002	\$34,760.82	6.75	31	\$199.28		\$34,960.10
6/1/2002	\$34,960.10	6.75	30	\$193.96		\$35,154.06
7/1/2002	\$35,154.06	6.75	31	\$201.53		\$35,355.59
8/1/2002	\$35,355.59	6.75	31	\$202.69		\$35,558.28
9/1/2002	\$35,558.28	6.75	30	\$197.28		\$35,755.56
10/1/2002	\$35,755.56	6.75	31	\$204.98		\$35,960.54
11/1/2002	\$35,960.54	6.75	30	\$199.51		\$36,160.05
12/1/2002	\$36,106.05	6.25	31	\$191.95		\$36,352.00
Totals				\$2,352.00	\$2,352.00	\$34,000.00

BASIN WATER SOURCES BMI LOAN INTEREST 2003

Formula for calculating interest: balance times interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2003	\$34,000.00	6.25	31	\$180.45		\$34,180.48
2/1/2003	\$34,180.48	6.25	28	\$163.88		\$34,344.36
3/1/2003	\$34,344.36	6.25	31	\$182.31		\$34,526.67
4/1/2003	\$34,526.67				\$4,526.67	\$30,000.00
4/1/2003	\$30,000.00	6.25	30	\$154.11		\$30,154.11
5/1/2003	\$30,154.11	6.25	31	\$160.06		\$30,314.17
6/1/2003	\$30,314.17	6.25	30	\$155.72		\$30,469.89
7/1/2003	\$30,469.89	6.00	31	\$155.27		\$30,625.16
8/1/2003	\$30,625.16	6.00	31	\$156.06		\$30,781.22
9/1/2003	\$30,781.22	6.00	30	\$151.80		\$30,933.02
10/1/2003	\$30,933.02	6.00	31	\$157.63		\$31,090.65
11/1/2003	\$31,090.65	6.00	30	\$153.32		\$31,243.97
12/1/2003		6.00	31	\$159.22		\$31,403.19
Totals					\$1,403.19	\$30,000.00

BASIN WATER SOURCES BMI LOAN INTEREST 2004

Formula for calculating interest: balance times Interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2004	\$30,000.00	6.00	31	\$152.88		\$30,152.88
2/1/2004	\$30,152.00	6.00	28	\$138.79		\$30,291.67
3/1/2004	\$30,291.67	6.00	31	\$154.37		\$30,446.04
4/1/2004	\$30,446.04	6.00	30	\$150.15		\$30,596.19
5/1/2004	\$30,596.19	6.00	31	\$155.92		\$30,752.11
6/1/2004	\$30,752.11	6.00	30	\$151.66		\$30,903.77
7/1/2004	\$30,903.77	6.25	31	\$164.05		\$31,067.82
8/1/2004	\$31,067.82	6.25	31	\$164.92		\$31,232.74
9/1/2004	\$31,232.74	6.50	30	\$166.86		\$31,399.60
10/1/2004	\$31,399.60	6.75	31	\$180.01		\$31,579.61
11/1/2004	\$31,579.61	6.75	30	\$175.21		\$31,754.82
12/1/2004	\$31,754.82	6.75	31	\$182.05		\$31,936.87
Totals				\$1,936.87	\$2,966.87	\$28,970.00

BASIN WATER SOURCES BMI LOAN INTEREST 2005

Formula for calculating interest: balance times Interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2005	\$28,970.00	7.25	31	\$178.38		\$29,148.38
2/1/2005	\$29,148.38	7.25	28	\$162.11		\$29,310.49
3/1/2005	\$29,310.49	7.50	31	\$186.70		\$29,497.19
4/1/2005	\$29,497.19	7.75	30	\$187.89		\$29,685.08
5/1/2005	\$29,685.08	7.75	31	\$195.39		\$29,880.47
6/1/2005	\$29,880.47	8.00	30	\$196.47		\$30,076.94
7/1/2005	\$30,076.94	8.25	31	\$210.74		\$30,287.68
8/1/2005	\$30,287.68	8.25	31	\$212.22		\$30,499.90
9/1/2005	\$30,499.90	8.50	30	\$213.08		\$30,712.98
10/1/2005	\$30,712.98	8.75	31	\$228.24		\$30,941.22
11/1/2005	\$30,941.22	9.00	30	\$228.88		\$31,170.10
12/1/2005	\$31,170.10	9.00	31	\$238.26		\$31,408.36
Totals				\$2,438.36	\$0.00	\$31,408.36

BASIN WATER SOURCES BMI LOAN INTEREST 2006

Formula for calculating interest: balance times Interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2006	\$31,408.36	9.25	31	\$246.75		\$31,655.11
2/1/2006	\$31,655.11	9.50	28	\$230.69		\$31,885.80
3/1/2006	\$31,885.80	9.50	31	\$257.27		\$32,143.07
4/1/2006	\$32,143.07	9.75	30	\$257.58		\$32,400.65
5/1/2006	\$32,400.65	9.75	31	\$268.30		\$32,668.95
6/1/2006	\$32,668.95	10.00	30	\$268.51		\$32,957.46
7/1/2006	\$32,957.46	10.25	31	\$286.91		\$33,244.37
8/1/2006	\$33,244.37	10.25	31	\$289.41		\$33,533.78
9/1/2006	\$33,533.78	10.25	30	\$282.51		\$33,816.29
10/1/2006	\$33,816.29	10.25	31	\$294.39		\$34,110.68
11/1/2006	\$34,110.68	10.25	30	\$287.37		\$34,398.05
12/1/2006	\$34,398.05	10.25	31	\$299.45		\$34,697.50
Totals				\$3,269.14	\$0.00	

BASIN WATER SOURCES BMI LOAN INTEREST 2007

Formula for calculating interest: balance times Interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2007	\$34,697.50	0.1025	31	\$302.06		\$34,999.56
2/1/2007	\$34,999.56	0.1025	28	\$275.21		\$35,274.77
3/1/2007	\$35,274.77	0.1025	31	\$307.08		\$35,581.85
4/1/2007	\$35,581.85	0.1025	30	\$299.76		\$35,881.62
5/1/2007	\$35,881.62	0.1025	31	\$312.37		\$36,193.99
6/1/2007	\$36,193.99	0.1025	30	\$304.92		\$36,498.91
7/1/2007	\$36,498.91	0.1025	31	\$317.74		\$36,816.65
8/1/2007	\$36,816.65	0.1025	31	\$320.51		\$37,137.15
9/1/2007	\$37,137.15	0.1025	30	\$312.87		\$37,450.02
10/1/2007	\$37,450.02	0.0975	31	\$310.12		\$37,760.14
11/1/2007	\$37,760.14	0.0950	30	\$294.84		\$38,054.98
12/1/2007	\$38,054.98	0.0950	31	\$307.05		\$38,362.03
			Totals	\$3,664.52	\$0.00	\$38,362.03

BASIN WATER SOURCES BMI LOAN INTEREST 2008

Formula for calculating interest: balance times Interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2008	\$38,362.03	0.0925	31	\$301.38		\$38,663.41
2/1/2008	\$38,663.41	0.0800	29	\$245.75		\$38,909.16
3/1/2008	\$38,909.16	0.0800	31	\$264.37		\$39,173.53
4/1/2008	\$39,173.53	0.0725	30	\$233.43		\$39,406.96
5/1/2008	\$39,406.96	0.0700	31	\$234.28		\$39,641.24
6/1/2008	\$39,641.24	0.0700	30	\$228.07		\$39,869.32
7/1/2008	\$39,869.32	0.0700	31	\$237.03		\$40,106.35
8/1/2008	\$40,106.35	0.0700	31	\$238.44		\$40,344.79
9/1/2008	\$40,344.79	0.0700	30	\$232.12		\$40,576.91
10/1/2008	\$40,576.91	0.0700	31	\$241.24		\$40,818.15
11/1/2008	\$40,818.15	0.0600	30	\$201.29		\$41,019.44
12/1/2008	\$41,019.44	0.0600	31	\$209.03		\$41,228.47
			Totals	\$2,866.44	\$0.00	

Basin Water Sources Working Capital Loan Interest 2006

Formula for calculating interest: balance times Interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2006	\$0.00	9.25	31			\$0.00
2/9/2006	\$6,500.00	9.50	19	\$32.14		\$6,532.14
3/1/2006	\$6,532.14	9.50	31	\$28.50		\$6,560.64
4/1/2006	\$6,560.64	9.75	30	\$52.57		\$6,613.21
5/1/2006	\$6,613.21	9.75	31	\$54.76		\$6,667.97
6/1/2006	\$6,667.97	10.00	30	\$56.18		\$6,724.15
7/1/2006	\$6,724.15	10.25	31	\$58.54		\$6,782.69
7/17/2006	new loan \$3,000.00	10.25	14	\$11.79		\$9,794.48
8/1/2006	\$9,794.48	10.25	31	\$85.27		\$9,879.75
9/1/2006	\$9,879.75	10.25	30	\$83.23		\$9,962.98
10/1/2006	\$9,962.98	10.25	31	\$86.73		\$10,049.71
11/1/2006	\$10,049.71	10.25	30	\$84.67		\$10,134.38
11/10/2006	new loan \$6,500.00	10.25	20	\$36.51		\$16,670.89
12/1/2006	\$16,670.89	10.25	31	\$145.13		\$16,816.02
12/11/2006	new loan \$5,000.00	10.25	21	\$29.49		\$21,845.51
Totals				\$845.51	\$0.00	

Basin Water Sources Working Capital Loan Interest 2007

Formula for calculating interest: balance times interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
2007						
1/1/2007	\$21,845.51	0.1025	31	\$845.51 \$190.18		\$22,035.69
2/1/2007	\$22,035.69	0.1025	28	\$173.27		\$22,208.95
3/1/2007	\$22,208.95	0.1025	31	\$193.34		\$22,402.29
4/1/2007	\$22,402.29	0.1025	30	\$188.73		\$22,591.02
5/1/2007	\$22,591.02	0.1025	31	\$196.67		\$22,787.69
6/1/2007	\$22,787.69	0.1025	30	\$191.98		\$22,979.67
7/1/2007	\$22,979.67	0.1025	31	\$200.05		\$23,179.72
7/10/2007 new loan	\$5,000.00	0.1025	21	\$29.49		\$28,209.21
8/1/2007	\$28,209.21	0.1025	31	\$245.57		\$28,454.78
9/1/2007	\$28,454.78	0.1025	30	\$239.72		\$28,694.51
10/1/2007	\$28,694.51	0.0975	31	\$237.61		\$28,932.12
11/1/2007	\$28,932.12	0.0950	30	\$225.91		\$29,158.03
12/1/2007	\$29,158.03	0.0950	31	\$235.26		\$29,393.29
12/31/2007					\$3,393.28	\$26,000.00
			Totals	\$0.00	\$3,393.28	\$26,000.00

Basin Water Sources Working Capital Loan Interest 2008

Formula for calculating interest: balance times Interest times days in month divided by 365 = interest

Date	Principal	Prime Rate Plus 2%	Days	Interest	Payment	Balance
1/1/2008	\$26,000.00	0.0925	31	\$204.26		\$26,204.26
2/1/2008	\$26,204.26	0.0800	28	\$160.82		\$26,365.08
3/1/2008	\$26,365.08	0.0800	31	\$179.14		\$26,544.21
4/1/2008	\$26,544.21	0.0725	30	\$158.17		\$26,702.39
5/1/2008	\$26,702.39	0.0700	31	\$158.75		\$26,861.14
6/1/2008	\$26,861.14	0.0700	30	\$154.54		\$27,015.68
7/1/2008	\$27,015.68	0.0700	31	\$160.61		\$27,176.30
8/1/2008	\$27,176.30	0.0700	31	\$161.57		\$27,337.87
9/1/2008	\$27,337.87	0.0700	30	\$157.29		\$27,495.15
10/1/2008	\$27,495.15	0.0700	31	\$163.46		\$27,658.62
11/1/2008	\$27,658.62	0.0600	30	\$136.40		\$27,795.01
12/1/2008	\$27,795.01	0.0600	31	\$141.64		\$27,936.65
			Totals	\$1,936.65		\$27,936.65